

Morgan Stanley Capital Partners Claims a Spot on the Inc. 2021 List of Top Founder-Friendly Private Equity Firms

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Meet 146 investment firms that founders will love. Now including venture capital firms, this year's list of founder-friendly investors is the biggest one yet.

For the past two years, *Inc.*'s [Founder-Friendly Private Equity Firms](#) list has shined a light on the [PE outfits that support founder-led companies](#) through both good times and, well, global pandemics. This year, we had an epiphany while compiling the list: Private equity firms don't have a monopoly on being founder-friendly. Venture capitalists are people too.

155%

Growth of U.S. private equity and related investment from the first half of 2020 (\$89.2 billion) through the first six months of 2021 (\$227.2 billion).

144%

Growth of U.S. private equity-backed exits from the first half of 2020 (\$51.2 billion) through the first six months of 2021 (\$125.1 billion).

49%

Growth of U.S. private equity and related fundraising from the first half of 2020 (\$146.7 billion) through the first six months of 2021 (\$218.3 billion).

61%

Growth of U.S. private equity and related deals from the first half of 2020 (1,598) through the first six months of 2021 (2,575).

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121%

Growth of U.S. venture capital investment from the first half of 2020 (\$57.9 billion) through the first six months of 2021 (a record \$128.2 billion).

425%

Growth of U.S. venture capital-backed exits from the first half of 2020 (\$24.9 billion) through the first six months of 2021 (\$130.8 billion).

63%

Growth of U.S. venture capital fundraising from the first half of 2020 (\$40.5 billion) through the first six months of 2021 (a record \$66 billion).

The good news: Whether your company is seeking [venture capital](#) or private equity, there's no shortage of dollars to chase. During the first half of 2021, U.S. venture capital fundraising reached \$66 billion in commitments, setting a record for capital raised during the first two quarters of a year, according to financial data firm Refinitiv. Private equity fundraising grew to \$218 billion in commitments, the highest figure in a decade. Surprisingly, there's perhaps never been a better time for business owners in need of investment capital.

Of course, the only money that comes without strings is money you find in the couch. Accept private equity, and the conversation inevitably turns to whether you should remain as CEO post-investment. "It could be that making your company grow from \$0 to \$10 million is something that only you could have done, but helping your company grow from \$10 million to \$100 million is not something you have the skills to do, and you need help," says David Snow, co-founder of Privcap Media, a creative agency for private equity firms and No. 4,571 on the 2021 Inc. 5000 list. "That should be a candid conversation that takes place at the outset of negotiations." A candid conversation, that is, between your investors, your company—and you.

Methodology

Inc.'s Founder-Friendly Investor list comprises firms identified by our editors or submitted to us through an application process. To confirm those firms' commitment to investing in entrepreneurial companies, we gather data on how their portfolio companies have grown and extensively interview entrepreneurs, including those who've exited, on their experiences with the firms. On that basis, we produce a proprietary score that determines the private equity, growth equity, and venture capital firms whose missions most significantly support startups and the men and women who found them.

Inc.'s Founder-Friendly Investors — The Top 146 PE and VC Firms for Entrepreneurs

FIRM	PORTFOLIO COMPANY ANNUAL REVENUE	FOUNDED	HEADQUARTERS
Accel-KKR	\$10M-\$250M annual revenue	2000	Menlo Park, California
AEA Investors	\$5M-\$1B annual revenue	1968	New York, New York
Alpine Investors	\$5M-\$250M annual revenue and \$1M-\$40M EBITDA	2001	San Francisco, California
Anzu Partners			Washington, District of Columbia
Aquila Capital Partners			Austin, Texas
Argentum	\$5M-\$25M annual revenue	1988	New York, New York
ATW Partners			New York, New York
Avathon Capital			Chicago, Illinois
Battery Ventures			Boston, Massachusetts
Ben Franklin Technology Partners of Southeastern Pennsylvania			Philadelphia, Pennsylvania
Blackstone Growth			New York, New York
Blue Cloud Ventures			New York, New York
Blue Point			Cleveland, Ohio
Blue Wolf Capital Partners			New York, New York
Bowery Capital			New York, New York
Boyne Capital			Miami, Florida
Bregal Sagemount	\$15M-\$250M annual revenue	2012	New York, New York
Carousel Capital	\$3M EBITDA and above	1996	Charlotte, North Carolina
CIC Partners	\$10M-\$250M annual revenue	2004	Dallas, Texas
City Light Capital			New York, New York
CIVC Partners			Chicago, Illinois
Clairvest Group			Toronto, Ontario
Clayton, Dubilier & Rice	Typically invests \$100M and above	1978	New York, New York
Clearlake Capital Group			Santa Monica, California
Clearview Capital	\$4M-\$20M EBITDA	1999	Stamford, Connecticut
Clocktower Technology Ventures			Santa Monica, California
Day One Ventures			San Francisco, California
DCM			Menlo Park, California
Dell Technologies Capital			Palo Alto, California
Eagle Merchant Partners			Atlanta, Georgia
Edison Partners			Princeton, New Jersey
Elefund			Mountain View, California
Elsewhere Partners			Austin, Texas
Enhanced Healthcare Partners			Salt Lake City, Utah
Enlightenment Capital	\$20M-\$200M annual revenue	2012	Chevy Chase, Maryland
Five Elms Capital			Kansas City, Missouri
Francisco Partners			San Francisco, California
Freeman Spogli & Co.			Los Angeles, California
FTV Capital			San Francisco, California
Fuel Capital			Burlingame, California
Fulcrum Equity Partners	\$3M-\$50M annual revenue	2006	Atlanta, Georgia
Gauge Capital	\$5M-\$40M EBITDA	2013	Dallas, Texas
Gen Cap America			Nashville, Tennessee
General Atlantic	\$25M-\$300M annual revenue	1980	New York, New York
Genoa Ventures			San Francisco, California
Graham Partners			Newtown Square, Pennsylvania
Granite Creek Capital Partners	\$3M-\$15M EBITDA	2005	Chicago, Illinois
Greenridge Growth Partners			Austin, Texas
Gridiron Capital	\$75M-\$650M enterprise value	2004	New Canaan, Connecticut
Guardian Capital Partners			Wayne, Pennsylvania

FIRM	PORTFOLIO COMPANY ANNUAL REVENUE	FOUNDED	HEADQUARTERS
Harren Equity Partners			Charlottesville, Virginia
HCI Equity Partners	\$20M-\$200M annual revenue	2003	Washington, District of Columbia
HealthQuest Capital			Belmont, California
HealthX Ventures			Madison, Wisconsin
Heartwood Partners			Norwalk, Connecticut
Human Capital			San Francisco, California
Insight Partners			New York, New York
Invision Capital			Chicago, Illinois
IVP			Menlo Park, California
JMI Equity	\$10M-\$50M annual revenue	1992	Baltimore, Maryland
K1 Investment Management	\$100M and below annual revenue	2011	Manhattan Beach, California
Kayne Partners			Los Angeles, California
Keystone Capital			Chicago, Illinois
Kian Capital Partners	\$10M-\$100M annual revenue	2013	Atlanta, Georgia
Kickstart Fund			Cottonwood Heights, Utah
Kinderhook Industries			New York, New York
KLH Capital			Tampa, Florida
L Catterton	\$5M-\$1B annual revenue	1989	Greenwich, Connecticut
LLR Partners	\$10M-\$100M annual revenue	1999	Philadelphia, Pennsylvania
LNK Partners	\$100M-\$2B annual revenue	2005	White Plains, New York
Long Ridge Equity Partners			New York, New York
LongueVue Capital			New Orleans, Louisiana
Lovell Minnick Partners			Radnor, Pennsylvania
LRVHealth			Boston, Massachusetts
M13			Santa Monica, California
Mainsail Partners	\$4M-\$25M annual revenue	2003	San Francisco, California
Manna Tree Partners			Vail, Colorado
Martis Capital			San Francisco, California
Merida Capital Holdings			New York, New York
Moneta Ventures	\$500K-\$10M annual revenue	2014	Folsom, California
Montage Partners	\$1M-\$5M EBITDA	2004	Scottsdale, Arizona
Morgan Stanley Capital Partners	\$10M-\$75M EBITDA	1985	New York, New York
Mountaingate Capital	\$5M-\$25M EBITDA	2015	Denver, Colorado
New Harbor Capital	\$3M-\$15M EBITDA	2013	Chicago, Illinois
NewSpring	\$10M and above annual revenue	1999	Radnor, Pennsylvania
NexPhase Capital			New York, New York
NMS Capital			New York, New York
North Castle Partners			Greenwich, Connecticut
Norwest Venture Partners			Palo Alto, California
Palladium Equity Partners	\$10M-\$75M EBITDA	1997	New York, New York
Pamlico Capital	\$10M-\$150M annual revenue	1988	Charlotte, North Carolina
Pfingsten Partners	\$20M-\$150M annual revenue	1989	Chicago, Illinois
Pilot Growth Equity			San Francisco, California
Primary Venture Partners			New York, New York
Providence Strategic Growth Capital Partners			Boston, Massachusetts
QED Investors			Alexandria, Virginia
Razor's Edge Ventures			Reston, Virginia
Renovus Capital Partners			Wayne, Pennsylvania
Revelstoke Capital Partners			Denver, Colorado
Revolution		2005	Washington, District of Columbia
Ridgmont Equity Partners	\$50M and below EBITDA	2010	Charlotte, North Carolina
River Associates Investments	\$15M-\$100M annual revenue	1989	Chattanooga, Tennessee

FIRM	PORTFOLIO COMPANY ANNUAL REVENUE	FOUNDED	HEADQUARTERS
Riverside Partners			Boston, Massachusetts
Riverwood Capital			Menlo Park, California
RLH Equity Partners			Los Angeles, California
Rockbridge Growth Equity			Detroit, Michigan
Rotunda Capital Partners	\$30M-\$150M enterprise value	2009	Washington, District of Columbia
Sapphire Ventures			Palo Alto, California
Satori Capital			Dallas, Texas
Searchlight Capital Partners			New York, New York
Sentinel Capital Partners	\$10M-\$80M EBITDA	1995	New York, New York
SEP			San Mateo, California
Serent Capital	\$5M-\$100M annual revenue	2008	Austin, Texas
Shasta Ventures			Menlo Park, California
Shore Capital Partners	\$5M-\$100M annual revenue	2009	Chicago, Illinois
Shorehill Capital	\$3M-\$15M EBITDA	2013	Chicago, Illinois
ShoreView Industries	\$20M-\$225M annual revenue	2002	Minneapolis, Minnesota
Silversmith Capital Partners			Boston, Massachusetts
Silverton Partners			Austin, Texas
SineWave Ventures			San Francisco, California
SkyKnight Capital			San Francisco, California
Solamere Capital		2008	Boston, Massachusetts
Sole Source Capital	\$35M and below EBITDA	2016	Dallas, Texas
Spectrum Equity	Typically invests \$25M-\$150M	1994	Boston, Massachusetts
Strattam Capital	\$10M-\$30M annual revenue	2013	Austin, Texas
Stripes	\$5M and above annual revenue	2008	New York, New York
Summit Partners			Boston, Massachusetts
Sunstone Partners	\$10M and above annual revenue	2015	San Mateo, California
The Carlyle Group			New York, New York
The Cynosure Group			Salt Lake City, Utah
The Sterling Group			Houston, Texas
Thompson Street Capital Partners		2001	St. Louis, Missouri
TMV			New York, New York
Tower Arch Capital	\$20M-\$150M annual revenue	2013	Draper, Utah
TPG Growth	\$50M and above annual revenue	2007	San Francisco, California
Trilantic North America			New York, New York
Trinity Hunt Partners			Dallas, Texas
Trivest Partners	\$20M-\$200M annual revenue	1981	Coral Gables, Florida
TZP Group	\$10M and above annual revenue	2007	New York, New York
Valesco Industries			Dallas, Texas
Vestar Capital Partners	\$10M and above annual revenue	2000	New York, New York
Vista Equity Partners			Austin, Texas
Warburg Pincus			New York, New York
Waterfall Asset Management			New York, New York
WestView Capital Partners	\$3M-\$20M EBITDA	2004	Boston, Massachusetts
ZMC			New York, New York

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